

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	<u>Range Resources-Pine Mountain, Inc.</u>)	VIRGINIA GAS
)	AND OIL BOARD
RELIEF SOUGHT	EXCEPTION TO STATEWIDE SPACING)	
	LIMITATIONS PRESCRIBED BY)	DOCKET NO.
	VA. CODE § 45.1-361.17 (a) (2))	<u>VGOB-15-0217-4060</u>
	FOR <u>WELL NO. V-537717</u>)	
)	
)	
)	
LEGAL DESCRIPTION:)	
)	
DRILLING UNIT SERVED BY WELL)	
NUMBERED <u>V-537717</u>)	
TO BE DRILLED IN THE LOCATION)	
DEPICTED ON EXHIBIT A HERETO,)	
Steinman Development Co. Tract)	
1,880.00 acres, more or less)	
CANEY RIDGE QUADRANGLE)	
KENADY DISTRICT)	
DICKENSON COUNTY, VIRGINIA)	
(the "Subject Lands" are more particularly described)	
on Exhibit "A", attached hereto and made a part)	
hereof))	

REPORT OF THE BOARDFINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on **March 17, 2015** having been continued from February 17, 2015 at the Russell County Conference Center, 139 Highland Drive, Lebanon, Virginia.
2. Appearances: **Timothy E. Scott of McKinnis & Scott**, appeared for the Applicant.
3. Jurisdiction and Notice: Pursuant to Va. Code §§ 45.1-361.1 *et seq.*, the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner having an interest in Subject Drilling Unit underlying and comprised of Subject Lands; and (2) represented to the Board that it has given notice to those parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code § 45.1-361.19 to notice of this application. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B. Whereupon, the

Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Amendments: Exhibits A and H-2.
5. Dismissals: None.
6. Relief Requested: Applicant requests an exception to the statewide spacing limitations set forth in Va. Code § 45.1-361.17 for Well No. V-537717.
7. Relief Granted: The requested relief in this cause shall be and hereby is granted. The Board hereby grants Applicant consent to permit and drill proposed Well No. V-537717 which is 1,837.97 feet from Range Resources Well No. VH-530163 at the location depicted on the Plat attached hereto as **Exhibit A**.
8. Special Findings: The Board specifically and specially finds:
 - 8.1 Applicant is Range Resources-Pine Mountain, Inc. Applicant is duly authorized and qualified to transact business in the Commonwealth of Virginia;
 - 8.2 Applicant Range Resources-Pine Mountain, Inc. is an operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia;
 - 8.3 Applicant claims ownership of Conventional Gas Leases of Subject Drilling Unit and the right to explore for, develop and produce Gas from Well No. V-537717 as well as the right to participate and develop the reciprocal well, being **Range Resources Well No. VH-530163**.
 - 8.4 The proposed Well No. V-537717 is located on the Steinman Development Co. 1,880.00-acre Tract and the surface, coal, gas and oil owners have consented to the proposed location for Well No. V-537717 that is depicted on the Plat attached hereto as **Exhibit A**;
 - 8.5 The Applicant testified it has the right to operate and participate in the development of the reciprocal **Range Resources Well No. VH-530163** and that the granting of the application filed herein will not impact the correlative rights of any person;
 - 8.6 An exception to the well spacing requirements of Va. Code § 45.1-361.17 for Well No. V-537717 is necessary to efficiently drain a portion of the common sources of supply (reservoir) underlying Subject Drilling Unit, and the Board's granting of the requested location exception is in the best interest of preventing the waste of 600 million cubic feet of Conventional Gas underlying the Subject Drilling Unit, and to generally effect the purposes of the Virginia and Oil Act;
 - 8.7 Applicant proposes the drilling of Well No. V-537717 to a depth of 4,570 feet on the Subject Drilling Unit at the location depicted on Exhibit A to produce all the Mississippian and Devonian Age formations including, but not limited to, Ravenclyff, Maxon, Big Lime, Weir, Berea and Devonian Shale, from surface to total depth drilled, 4,570 feet ("Subject Formations");

- 8.8 Applicant proposes to drill Well No. V-537717 a distance of 662.03 feet closer to Range Resources Well No. VH-530163 than the 2500 feet mandated by statewide spacing;
- 8.9 Applicant proposes to complete and operate Well No. V-537717 for the purpose of producing Conventional Gas;
9. Conclusion: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED.**
10. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court. Such appeals must be taken in the manner prescribed in the Administrative Process Act, Va. Code Ann. § 9-6.14:1 *et seq.* and Rule 2A of the Rules of the Virginia Supreme Court.
11. Effective Date: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

DONE AND EXECUTED this 31 day of March, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 31 day of March, 2015 by Order of the Virginia Gas and Oil Board.



Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

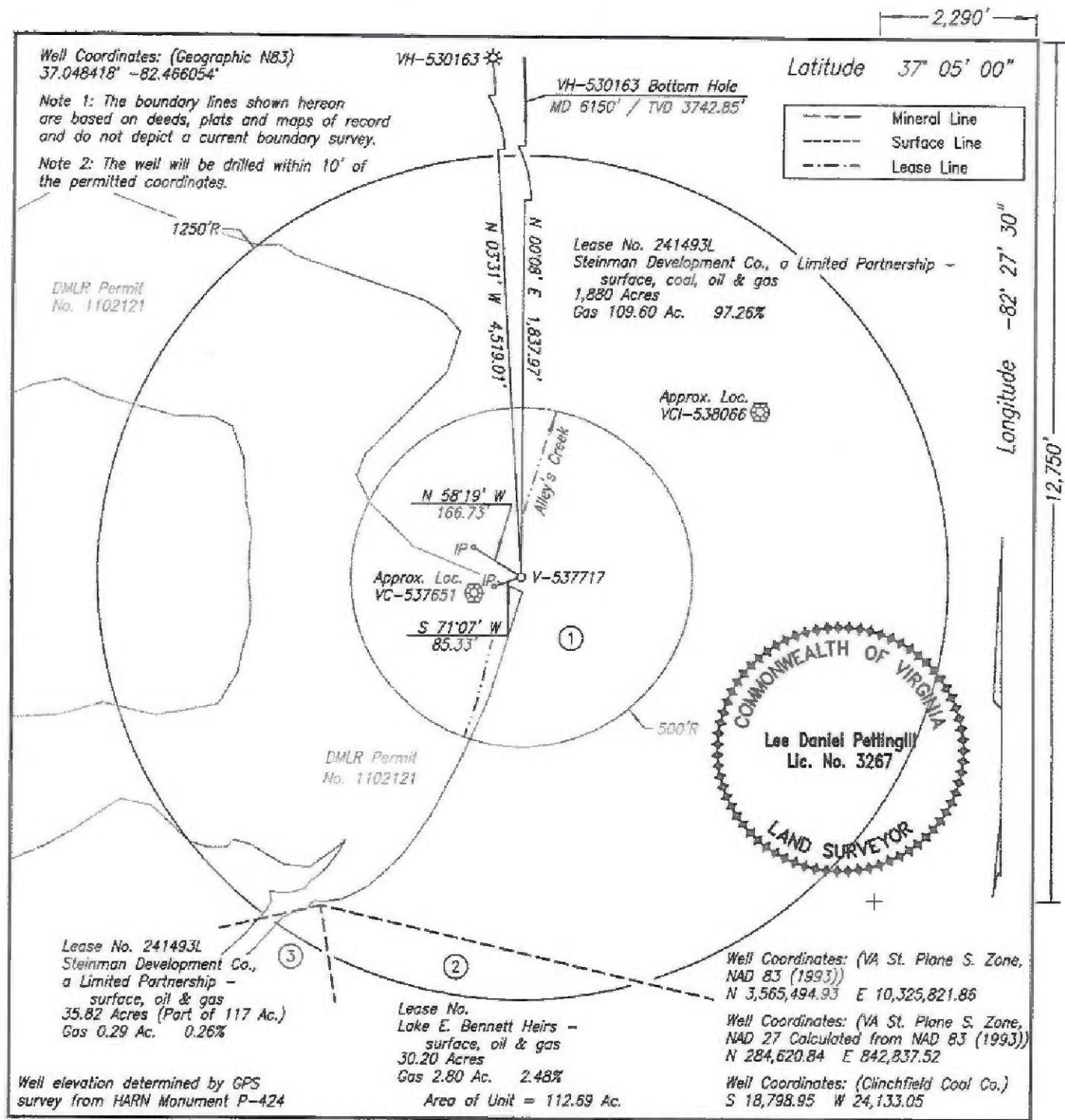
Acknowledged on this 31st day of March, 2015, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.



Sarah Jessee Gilmer, Notary Public
262946

My Commission expires: July 31, 2017





COMPANY Range Resources-Pine Mountain, Inc. WELL NAME AND NUMBER V-537717
TRACT NO. Steinman Development ELEVATION 1,706.76' QUADRANGLE Caney Ridge
COUNTY Dickenson DISTRICT Kenady SCALE 1" = 400' DATE 3-18-2015

This Plat is a new plat x; an updated plat ; or a final location plat

+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

~~Licensed Professional Engineer or Licensed Land Surveyor~~

Exhibit "B"
Well No. V-537717
4,570'

DEPTH -

Steinman Development Company, LP
ATTN: Harry W Meador
1912 Wildcat Road
Big Stone Gap, VA 24219

Anna Sue Bennett Ferrara
121 Meadow Springs Lane
Sanford, NC 27332

Doris & Bernard Via
229 Solar Street
Bristol, VA 24201

Angela Barnes
PO Box 2572
Asheboro, NC 27204

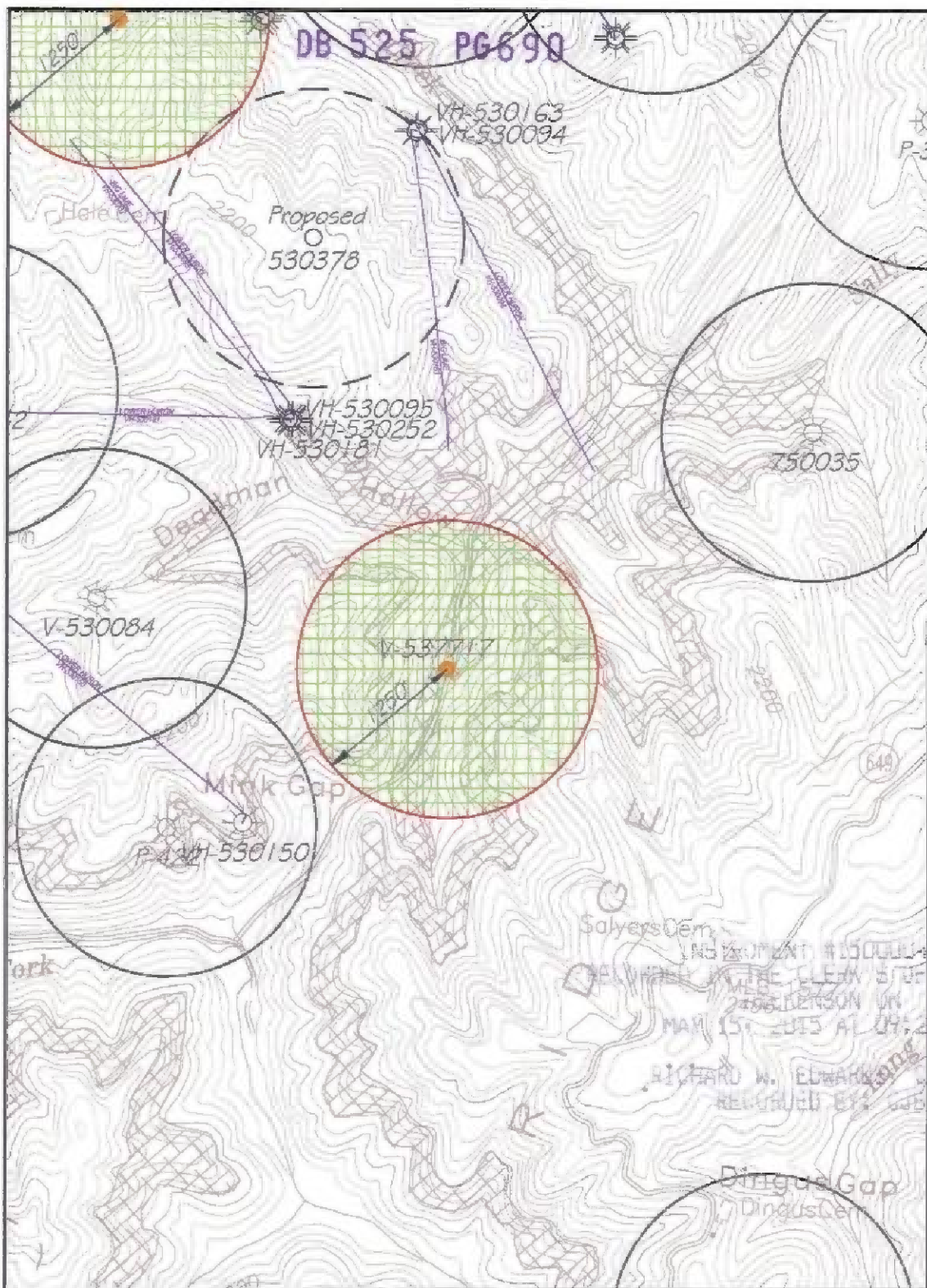


Exhibit H2

Range Resources-Pine Mountain, Inc.

V-537717 LOCATION EXCEPTION EXHIBIT

Author:	Drainage Area = 112.69 Ac.	Date: 13-MAR-2015
Quad: CANEY RIDGE	Scale: 1" = 1000'	